available due to the construction of the dam across Krishna River in Andhra Pradesh.

(c) to (e) NHPC takes up potential projects/sites in different States based on the following considerations:—

(i) consent from the concerned State Government (s) for NHPC to execute this work;

(ii) benefit to several States within and across regions;

(iii) minimum displcement and environmental impact; and

(iv) willingness of the concened State Governments to purchase power.

Conference of State Ministers for Power

878. DR. B.B. DUTTA: Will the Minister of POWER be pleased to state:

(a) whether the State Ministers for Power met in the capital recently;

(b) if so, the outcome of the Conference; and

(c) the details of measures contemplated to be taken by Government, in the light of the outcome of the said Conference?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM): (a) Yes, Sir.

(b) and (c) The Conference adopted a plan of action called "Power Reforms Initiative". The measures contemplated in this regard are:

(i) Constitution of State Electricity Regulatory Commissions.

(ii) Drawing up of Power Sector Reform Bill by each State/Union Territory.

(iii) Corporatisation of generating companies, transmission companies and distribution companies.

(iv) Reform of the Distribution Sector.

(v) Setting up of Mega Projects.

(vi) Commercial arrangements for payment for power.

(vii) Secruitisation of outstanding dues of Central Public Sector Undertakings.

(viii) Expeditious development of hydel potential.

(ix) Speedy development of National Power Grid.

(x) Action Plan for Energy Conservation.

(xi) Efforts to increase power generation.

(xii) Rationalisation of Electricity tariff for Railways.

Limit of IPFIs in Power Projects

879. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government have fixed a limit of 40% for Indian Public Financial Institutions (IPFIs) in power projects based on indigenous equipments;

(b) if so, whether the State Governments have approached the Central Government for relaxing the limit and to exclude funding from Indian Commercial Banks; and

(c) if so, the action taken or proposed to be taken thereon?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM): (a) The policy announced by the Government in 1991 to encourage greater private participation in the power sector, *inter-alia* stipulated that an amount not exceeding 40% of the total outlay may come from Indian public financial institutions, but the remaining amount should be met from other sources.

(b) Yes, Sir. Government of Gujarat had made a proposal for relaxing this limit and to exclude funding from Indian Commercial Banks while calculating aggregate investment of IPFIs.

(c) It has since been decided that while there could be no bar to the extent of domestic debt raised by a project developer, subject to the need of maximising financing from external sources and prudential norms exercised by IFls, allowing a higher domestic debt component for projects which are developed based on indigenously sourced plant and equipment would be more desireable.

Rural Power by Rice Husk

880. SHRI P. PRABHAKAR REDDY: Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem appearing in the Hindu dated 9th February, 1999 under the caption "Rice husk can meet rural power needs";

(b) if so, whether Government have contacted the concerned scientists of Institute of Solid Waste Research and Ecological Balance (INSWAREB) and sought for more details in the matter; and

(c) if so, the results thereof?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM): (a) and (b) Yes, Sir.

(c) Generation of Electricity from rice husk, which has been mentioned in the news-item is already covered under the Programme on Biomass Power Generation of the Ministry of Non-conventional Energy Sources, wherein financial assistance is provided for setting up such projects. The Institute is aware of the Ministry's programme.

Reported Loss of Eastern States on Power Export

881. SHRI NILOTPAL BASU: Will the Minister of POWER be pleased to state:

(a) whether Government's attention Has been drawn to the New-item, 'Eastern States loss on power export', appearing in Business Standard dated 8th February, 1999;

(b) if so, whether the Eastern Region's loss on power export is because of the abnormal hike in the NTPC generation cost from Rs. 1.81 to Rs. 2.20 per unit, as reported;

(c) if not, the actual reasons for this loss to Eastern power agencies;

(d) the present NTPC power cost in different regions; and

(e) the action taken by Government to ensure a reasonable Tariff by NTPC in Eastern Zone, in line with the Tariff charged in other regions of the country by NTPC?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI PR. KUMARAMANGALAM): (a) Yes Sir.

(b) and (c) The tariff for NTPC Stations is determined by the Government under section 43A of the Electricity (Supply) Act, 1948 and is fixed on two part basis. Therefore, the rate of power supply from any power stations of NTPC varies from month to month, depending on the total energy supply from a power station during the month. The constituents of the Eastern region have decided to offer power to other regions at a fixed rate to be determined by the Central Electricity Authority every six months, based on average for the past six months.The rate was fixed at 215 P/ KWH from January to June 1998 and at 195 P/KWH from July to December 1998. The difference between the fixed